

**BY-LAW #15-2015 OF THE  
TOWN OF VERMILION  
(hereinafter referred to the "Municipality")  
IN THE PROVINCE OF ALBERTA**

THIS BY-LAW AUTHORIZES THE COUNCIL OF THE  
MUNICIPALITY TO INCUR AN INDEBTEDNESS BY THE  
ISSUANCE OF DEBENTURES TO THE ALBERTA CAPITAL  
FINANCING AUTHORITY FOR FINANCING THE VERMILION AND  
DISTRICT HOUSING FOUNDATION LODGE EXPANSION

WHEREAS The Council of the Municipality has decided to issue a by-law pursuant to Section 251 of the Municipal Government Act to authorize the financing of the Vermilion & District Housing Foundation Senior Citizen Lodge Expansion.

AND WHEREAS the plans, specifications and estimates for the project and confirms the total cost of the said project is Eleven Million Seven Hundred Sixty Thousand Dollars (\$11,760,000).

AND WHEREAS the Council of the Municipality has estimated the following grants and contributions will be received or applied to the Project.

Provincial Grant	\$4,900,000
Federal Grant	\$4,900,000
County of Vermilion River Financing	\$ 980,000
Vermilion & District Housing Foundation	\$ 980,000

AND WHEREAS in order to construct and complete the said project, it will be necessary for the Municipality to borrow the sum of Nine Hundred Eighty Thousand Dollars (\$980,000) on the terms and conditions referred to in this By-Law.

AND WHEREAS the Municipality will repay the indebtedness over a maximum period not to exceed twenty (20) years in semi-annual instalments, with interest not exceeding six percent (6%), or the interest rate fixed from time to time by the Alberta Capital Financing Authority, payable semi- annually.

AND WHEREAS the amount of existing debenture debt of the Municipality as at December 31, 2014 is \$9,504,000 principal, no part of which is in arrears.

AND WHEREAS the estimated lifetime of the project is twenty (20) years.

AND WHEREAS all required approvals for the project have been obtained and the project is in compliance with all acts and regulations of the Province of Alberta.

NOW, THEREFORE, THE COUNCIL OF THE MUNICIPALITY DULY ASSEMBLED  
ENACTS AS FOLLOWS:

1. That for the purpose of the Vermilion & District Housing Foundation Lodge Expansion project the sum of Nine Hundred Eighty Thousand Dollars (\$980,000) be borrowed from Alberta Capital Financing Authority by way of debenture on the credit and security of the Municipality at large, of which the sum of Nine Hundred Eighty Thousand Dollars (\$980,000) is to be paid by the Town of Vermilion at large.
2. The debenture to be issued under this by-law shall not exceed the sum of Nine Hundred Eighty Thousand Dollars (\$980,000), and may be in any denomination not exceeding the amount authorized by this by-law and shall be dated having regard to the date of the borrowing.
3. The debenture shall bear interest during the currency of the debenture, at a rate not exceeding six percent (6%), or the interest rate fixed from time to time by the Alberta Capital Financing Authority, per annum, payable semi-annually.
4. The debenture shall be issued in such manner that the principal and interest will be combined and be made payable in, as nearly as possible, equal semi-annual instalments over a maximum period not to exceed twenty (20) years.
5. The debenture shall be payable in lawful money of Canada at the Alberta Treasury Branch in the Town of Vermilion or at such other bank or financial institution as the Council may authorize as its banking agency during the currency of the debenture.

6. The Mayor and Town Manager of the Municipality shall authorize such bank or financial institution to make payments to the holder of the debenture, on such date and in such amounts as specified in the repayment schedule forming part of each debenture.
7. The debenture shall be signed by the Mayor and the Town Manager of the Municipality and the Town Manager shall affix the corporate seal of the Municipality to the debenture.
8. There shall be levied and raised in each year of the currency of the debenture, hereby authorized, an semi-annual charge against the Vermilion & District Housing Foundation that is sufficient to pay the principal and interest falling due in each such year and on each debenture issued pursuant to this by-law. In the event, the Vermilion & District Housing Foundation is unable to meet the payment there shall be levied and raised in each year of the currency of the debentures a rate or rates on the assessed value of all lands and improvements shown on the assessment roll, sufficient to provide an annual tax adequate to pay the principal and interest falling due in such year on such debentures by the town at large. The said rates and taxes are collectible at the same time and in the same manner as other rates and taxes.
9. The said indebtedness is contracted on the credit and security of the Municipality at large.
10. The net amount realized by the issue and sale of debentures issued under this by-law shall be applied only for the purpose for which the indebtedness was created.
11. This by-law shall take effect on the day of the final passing thereof.

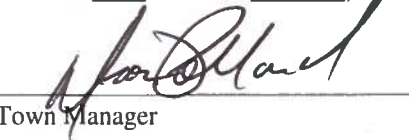
READ A FIRST TIME IN COUNCIL THIS 8<sup>TH</sup> DAY OF OCT., 2015.

  
Mayor


  
Town Manager

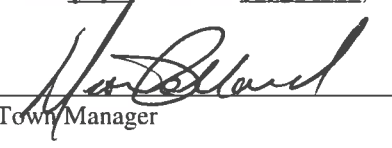
READ A SECOND TIME IN COUNCIL THIS 17 DAY OF Nov., A.D. 2015.

  
Mayor

  
Town Manager

READ A THIRD TIME IN COUNCIL THIS 17 DAY OF Nov., A.D. 2015.

  
Mayor

  
Town Manager